ARTICLE APPEARED
ON PAGE A

PHILADELPHIA INQUIRER 19 September 1984

Sources say CIA is still supplying Nicaraguan rebels

By Alfonso Chardy

WASHINGTON — Despite congressional attempts to stop it, the CIA has continued to supply rebels fighting the Nicaraguan government with intelligence information and rocketfiring aircraft, congressional sources say, and the agency picked the target for a recent attack that resulted in the deaths of two Americans and several Cuban military advisers.

The sources, who have access to intelligence information, said that the target, a military training school run by the foes of the Sandinista government in the northern Nicaraguan town of Santa Clara, was one of several selected for the rebels, or contras, by CIA operatives this year. The administration has consistently denied any U.S. involvement in the raid.

The Sept. 1 attack resulted in the death of two American paramilitary volunteers when their helicopter was shot down by the Sandinistas. U.S. intelligence sources said as many as six Cubans helping train Nicaraguan troops also might have been killed.

The sources said, however, that the fact that the CIA helped target the school does not necessarily discredit statements by both the agency and the administration that they had no advance warning of the attack.

"As far as we can tell," one source said, "it is true the administration did not know the precise day and hour when the contras were going to strike, or even that American freelancers were going to go along. But they knew that Santa Clara was likely to be a target at some point because it was one of the sites that had been suggested to the contras as a target."

Information about CIA involvement in the Santa Clara raid is the latest indication that despite congressional imposition this year of a strict \$24 million limit on the agency's aid to the rebels, the United States remains deeply involved in their day-to-day activities.

According to the congressional sources, about a dozen <u>CIA</u> operatives continue to relay intelligence, strategic and tactical information to

the anti-Sandinistas

The sources also said that the CIA in coordination with the Defense Department, had provided about a dozen aircraft, including rocket-equipped Cessna O-2A airplanes, helicopters and C-47 transport aircraft to the contras. Three of the twin-engine Cessnas took part in the assault on Santa Clara.

Finally, the sources said, the rebetaircraft apparently took off from Honduran military bases in Jamastran and Aguacate. Both bases were upgraded by the U.S. military during recent joint maneuvers with Honduras.

A CIA spokesman said the agency had no comment.

Indeed, the CIA has not only informed congressional intelligence committees of its activities — including notice in late 1983 of its intention to supply aircraft to the rebels — but also won reluctant approval for them, sources said.

The CIA has argued that it can continue aiding the rebels until the \$24 million Congress appropriated this year is exhausted. Since \$100,000 remains in the fund, according to the agency, the congressional ban on further spending has not yet taken effect.

In calculating spending under that cap, the <u>CIA</u> does not count the salaries or overhead costs of its dozen agents in Honduras who are providing intelligence or logistical support to the *contras*, the sources said.

The sources also said that the intelligence committees were aware that the CIA was going to supply aircraft to the contras as early as late 1983. They said some of the aircraft have been charged to the \$24 million account, while others may have been supplied free of charge as part of overhead costs.

Though the cost of all the aircraft may have exceeded the limit, the sources said that in May and June the committees learned that the CIA had used a government accounting procedure known as "bailment," through which the CIA had either bought aircraft from the Pentagon at artificially low prices to give to the contras or had lent them to the rebels